



**North Carolina Department of Health and Human Services  
Division of Mental Health, Developmental Disabilities and Substance Abuse Services**

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Michael F. Easley, Governor  
Carmen Hooker Odom, Secretary

Michael Moseley, Director

June 29, 2004

**MEMORANDUM**

TO: Area/County Directors

FROM: Wanda Mitchell, Team Leader  
Budget & Finance Team

RE: SFY 05 Preliminary Continuation Allocations

Although the General Assembly has not yet finalized the State's revised budget for SFY 05, the Division is herein communicating, via attachment, its best estimate of SFY05 continuation allocations. Please be aware that there may be some adjustments in these amounts in the final allocation letter once the General Assembly adopts the revised budget and the Community Policy Management section has completed a review of area program funding needs, etc.

This preliminary allocation letter includes allocations of LME system management funds at the same amount as were outlined in the January 30, 2004, communication from Phillip Hoffman. The DMH/DD/SAS continues to consider and evaluate the requests that some programs have made for additional funding. Any adjustments to these amounts that are approved through that process will be included in subsequent allocation letters or in the final continuation allocation letter, which will be issued after the General Assembly completes revisions to the SFY 05 budget.

Generally, funds are included in the continuation allocation at last year's amount per the SFY 04 final allocation, with adjustments for subsequent allocations during the year which were noted as recurring increases or decreases. You will note that a column has been added for the LME 13% administrative overhead funding adjustment. Amounts for administrative overhead are based on 13% of the cumulative total of state and federal funds for each disability, however, the 13% was then applied to State funds only. The following designated Cross Area Service Programs (CASP) funds, along with funds that support the Housing Positions, were not included as part of the base in computing the 13% cumulative reduction nor were their respective funding amounts reduced as part of the 13% administration reduction (schedule attached):

Housing Positions  
Gero Teams  
Deaf & Hard of Hearing  
Juvenile Homes and Detention Centers  
YCD Training Centers



Also attached is a spreadsheet listing all CASP funds identified by the Division. Each CASP has been identified as either a “consumer CASP” or a “dollar CASP.” “Consumer CASPs” require individual authorization of services for consumers whereas “dollar CASPs” represent funds approved for the program in total, with no requirement that services for individual consumers be authorized. In general, “dollar CASP” amounts are in non-UCR accounts. Funds for those CASP programs not listed above were included in the overall 13% reduction adjustment on the Preliminary Allocation although the amounts shown on the CASP spreadsheet are the full dollar figures originally allocated as CASP funds.

Should you have any questions, please contact me at (919) 733-7013 or via e-mail at [Wanda.Mitchell@ncmail.net](mailto:Wanda.Mitchell@ncmail.net).

Attachments

cc: Secretary Carmen Hooker Odom  
Lanier Cansler  
James Bernstein  
DMH/DD/SAS Executive Leadership Team  
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